

USG Corporation

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M/041/008

cc: Bond
file
please

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MINERALS PROGRAM
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OCT 09 1992

DIVISION OF
OIL GAS & MINING

October 1, 1992

Mr. D. Wayne Hedberg
State of Utah
Department of National Resources
Division of Oil, Gas and Mining
355 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Re: Jumbo Jensen Quarry
M/041/008 Sevier County, Utah

Dear Wayne:

This letter confirms our telephone conversation of October 1, 1992 wherein we discussed the reclamation surety for the above referenced Quarry.

As we discussed Northern Trust has issued notice of Non-Renewal on the ILOC which is currently in place. You indicated the State would draw upon the ILOC 30 days prior to expiration if other acceptable security was not in place. You also indicated that a six month extension of the ILOC would be acceptable to the State.

It is USG's intention to continue to provide security for the reclamation of this quarry to the State. If we cannot provide an extension of the current ILOC by December 1, 1992 we will provide you with a Surety Bond. This Surety Bond will be provided under the understanding that as long as the bank provides an extension of the ILOC by the expiration date you will return the Surety Bond to us.

Your help in this matter is greatly appreciated.

Sincerely,

USG CORPORATION

Bruce A. Czul
Manager, Insurance

BAC/dm/#088

cc: #187 R. H. Fleming
James L. Stone - Jardine Insurance Brokers

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